

Application for Site and/or Bond Release

Operator/Permittee: C.S. Mining, LLC	
Mine/Project Name: <u>Hidden Treasure Operations</u>	
File Number: <u>M/001/0067</u>	
<div style="text-align: right;">RECEIVED JUN 23 2014 DIV. OF OIL, GAS & MINING</div>	
Check One: <input checked="" type="checkbox"/> Large Mine <input type="checkbox"/> Small Mine <input type="checkbox"/> Exploration	
Check one: <input type="checkbox"/> Partial Release of a <u>portion</u> of the mine site: Acres to be released: _____ Acres Remaining: _____ Specify Area: _____	
<input type="checkbox"/> Full Release of a <u>portion</u> of the mine site: Acres to be released: _____ Specify Area: _____ (A new map will need to be provided for the Notice or plan removing the released area from the disturbed or bonded area.)	
<input type="checkbox"/> Partial Release of entire mine site: Total Acres to be released: _____ (Backfilling and grading are completed)	
<input checked="" type="checkbox"/> Full Release of entire mine site: Total Acres to be released: <u>448</u> (Vegetation is established and has survived three growing seasons.)	
Amount of Existing Surety: <u>\$3,684,000.00</u>	
Amount of Surety requested for release: <u>\$3,684,000.00</u>	
Reason for Bond Release Request: We replaced our Lexon bond that no longer had an A- rating or better with Ironshore Indemnity that was sent to Penny Berry 4/23/2014.	
Complete this section if the money released from this application is to be used as surety for future disturbance. Release bond on: _____ Acres (specify area) _____ Apply Bond to: _____ Acres (specify area) _____	
Check Applicable Boxes	DESCRIPTION of RECLAMATION ACTIVITIES COMPLETED (Describe any variance(s) that have been granted, date activity completed)
<input type="checkbox"/> Wells Plugged / shafts sealed	
<input type="checkbox"/> Disposal of debris & other materials incident to mining	

	Drainages, reestablished & stable	
	Structures demolished / removed	
	Regrading Completed – Slopes, pits, highwalls in stable condition	
	Meets Postmining Land Use (Indicate Landuse)	
	Roads Reclaimed	
	Dams, Impoundments, Ditches, Pits reclaimed	
	Topsoil respread – amendments added	
	Erosion Controlled	
	Vegetation meets 70% of premining cover and has survived three years for full bond release – or has survived one year growing season to maintain small mine status.	

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

Dave McMullin

Print Name

G.M.
Sign Name, Position

6/13/2014
Date

Return to:

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Phone: (801) 538-5291 Fax: (801) 359-3940

FOR DOGM USE ONLY:

File #: M/ / /

Approved: _____

Bond Adjustment: from (\$)

to \$ _____

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CS MINING

PO Box 608 | 1208 South 200 West | Milford, Utah 84751

Office: 435.387.5053 | Fax: 435.387.5088 | www.csmining.com

June 12, 2014

RECEIVED
JUN 23 2014
DIV. OF OIL, GAS & MINING

Penny Berry
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Subject: Lexon Surety Bond

Dear Ms. Berry:

Enclosed you will find a copy of our Form MR-Site/Bond Release. We recently replaced our reclamation bond for CS Mining (originally issued by Lexon Insurance) with a bond from Ironshore Indemnity due to the State of Utah's A.M. Best rating requirement. We would like to get the original Lexon bond back from the State or a written statement from the regulator that Lexon is released from all liability associated with that specific bond.

Sincerley,

Leslie Buhler

Land & Permitting Manager

(435) 630-3829